

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Howard D. Talbott  
Susan Talbott  
Joseph Moormann  
Connie Moormann  
James J. Mermis  
Kimberly Mermis  
Dwayne G. Sattler  
Hope Sattler  
Joseph Restivo  
Phillip Swy  
Barton Kulish  
Donna Owens  
Jeffrey L. Mann  
Corrine A. Mann  
Susan Metzger  
Margaret Thurber  
Sam Thurber  
Joseph Kidd  
Allison M. Perz  
William McElheney  
Sally Perz  
Joe Perz  
Michael P. Boyle  
Betty Shultz

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FEDERAL ELECTION  
COMMISSION  
SECRETARIAT  
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GENERAL COUNSEL'S REPORT #4

**I. ACTIONS RECOMMENDED**

Accept the attached Conciliation Agreements as to Joseph Restivo, Howard D. Talbott, Donna Owens, Sally Perz, Betty Shultz, Sam Thurber, and Margaret Thurber; take no further action except send a letter of admonishment to Phillip Swy, Allison Perz, Barton Kulish, Michael P. Boyle, James J. Mermis, Joseph Moormann, Susan Talbott, William McElheney, Joe Perz, Jeffrey Mann, Corrine A. Mann, Kimberly Mermis, and

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1 Connie Moormann; send a letter of admonishment to Hope Sattler, Dwayne Sattler,  
2 Susan Metzger and Joseph Kidd; approve the appropriate letters; and close the file.

3 **II. BACKGROUND**

4 The Commission found that twenty individual conduits knowingly and willfully  
5 violated 2 U.S.C. § 441f by permitting their names to be used to effect the making of a  
6 contribution in the name of another in a contribution reimbursement scheme orchestrated  
7 by Thomas W. Noe.<sup>1</sup> Following an investigation, the Commission authorized  
8 conciliation prior to a finding of probable cause to believe with respect to seven of the  
9 conduits – Joseph Restivo, Howard D. Talbott, Sally Perz, Donna Owens, Betty Shultz,  
10 Sam Thurber, and Margaret Thurber. While the Commission frequently does not pursue  
11 conduits, the Commission decided to pursue these seven individuals because of their  
12 degree of participation and level of culpability as super-conduits or public officials. See  
13 General Counsel's Report #3. All of these individuals signed donor cards stating that  
14 they were making a contribution with their personal funds when, in fact, Mr. Noe's  
15 money was used to make the contributions. We are recommending that the Commission  
16 accept the attached \_\_\_\_\_ conciliation agreements that have been signed and submitted  
17 by these seven respondents. Finally, we are recommending that the Commission take no  
18 further action except send a letter of admonishment to 13 individual conduits with respect  
19 to whom the Commission previously made knowing and willful reason to believe

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<sup>1</sup> The Commission also found reason to believe that Thomas W. Noe knowingly and willfully violated: 2 U.S.C. §§ 441f by making contributions in the name of others; 441a(a)(1)(A) by making contributions to Bush-Cheney '04, Inc. that exceeded \$2,000; and 441a(a)(3)(A) by making contributions to Bush-Cheney '04, Inc. during the period between January 1, 2003 and December 31, 2004 that exceeded the individual aggregate limit of \$37,500. The Commission subsequently exercised its prosecutorial discretion to take no further action as to Noe, who has been convicted of criminal charges relating to the same conduct. See General Counsel's Report #3.

1 findings, and also send a letter of admonishment to four remaining conduits, with respect  
2 to whom the Commission has never made a finding.

3 **III. PROPOSED CONCILIATION AGREEMENTS**

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14 **IV. Other Conduits**

15       The Commission previously found reason to believe that thirteen other individuals  
16 who were conduits in Noe's reimbursement scheme knowingly and willfully violated the  
17 Act. Although the investigation confirmed that these individuals were reimbursed for  
18 their contributions and signed donor cards falsely indicating that they were making  
19 contributions with their personal funds, based on the following factors we believe the  
20 Commission should exercise its prosecutorial discretion and take no further action as to  
21 their violations other than to send letters of admonishment. These conduits were not  
22 elected officials and their role in the activity at issue was limited. In addition, seven of  
23 them, with whom Noe or a super-conduit directly arranged reimbursements, were

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1 interviewed by, and cooperated with, DOJ during its investigation of Noe. Indeed, two of  
2 the conduits state that super-conduit Restivo misled them to believe that the only reason  
3 Noe and Restivo could not buy tickets in bulk and distribute them to their guests was that  
4 doing so would violate a security requirement, not because it would violate the law. The  
5 remaining six conduits are spouses who appear to have had a more acquiescent role in the  
6 activity at issue. For all these reasons, we believe no further action except an  
7 admonishment is appropriate with respect to the thirteen conduits.

8 Therefore, we recommend that the Commission take no further action other than  
9 to send letters of admonishment and close the file with respect to the following  
10 individuals: Phillip Swy, Allison Perz, Barton Kulish, Michael P. Boyle, James J.  
11 Mermis, Joseph Moormann, Susan Talbott, William McElheney, Joe Perz, Jeffrey Mann,  
12 Corrine A. Mann, Kimberly Mermis, and Connie Moormann.

13 Likewise, we recommend that the Commission send letters of admonishment and  
14 close the file with respect to Hope Sattler, Dwayne Sattler, Susan Metzger, and Joseph  
15 Kidd, the four conduits who were employees or subordinates (or a spouse thereof) of Noe  
16 that may have felt pressured to participate in Noe's reimbursement scheme, and with  
17 respect to whom the Commission previously decided to take no action at this time.<sup>3</sup>

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V. RECOMMENDATIONS

1. Accept the attached conciliation agreements as to Joseph Restivo, Howard D. Talbott, Donna Owens, Sally Perz, Betty Shultz, Sam Thurber, and Margaret Thurber;
2. Take no further action except send a letter of admonishment to Phillip Swy, Allison Perz, Barton Kulish, Michael P. Boyle, James J. Mermis, Joseph Moormann, Susan Talbott, William McElheney, Joe Perz, Jeffrey Mann, Corrine A. Mann, Kimberly Mermis, and Connie Moormann;
3. Send a letter of admonishment to Hope Sattler, Dwayne Sattler, Susan Metzger, and Joseph Kidd;
4. Approve the appropriate letters; and
5. Close the file.

Thomasenia P. Duncan  
General Counsel

Date

5/2/08

BY:

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